

EXHIBIT R

lNovick@auamed.org

From: Cleo T. Wallace [mailto:cleotwallace@gmail.com]
Sent: Tuesday, November 17, 2009 11:30 AM
To: Lyle Novick; Cleo T. Wallace
Subject: Fwd: American University of Antigua-ABST Taxes

Dear Mr. Lyle Novick,

In the response to your email, Mr. Doug McLaren the Director of the Antigua and Barbuda Sales Tax informed me that a letter was written to your establishment pertaining to the ABST. The Letter dated 31 August 2007 stated that Activities within the Free Trade and Processing Zone Act 1994 contains a number of provisions dealing with the treatment of licenses which I understand you to be. Section 14 (c) and (d) reproduced below allows for the importation of materials for the construction of permittees and for the operations carried on within the Free Trade and Processing Zone. This would cover the direct imports and relieve them from ABST.

Section 14 Notwithstanding any law to the contrary and subject only to this Act a licensee shall during the currency of his license be -(c) exempted from the payment of taxes and other duties on the importation of machinery, equipment, spare parts, construction material and other items needed to construct and operate facilities within the free trade and processing zone. (d) exempted from payment of duty and other taxes on the importation or raw materials and other goods to be incorporated in the products produced or assembled within or to be utilized in the performance of services within the free trade and processing zone.

Section 18 of the Free Trade and Processing Zone Act 1994 allows domestic supplies of both goods and services to a licensee in the Zone to be treated as imports into the zone and exports from Antigua and Barbuda. This would cover domestic supplies into the zone and relieve them from ABST. (3) Any goods and services sold by companies within Antigua and Barbuda and sent into the Free Trade and processing Zone shall be considered as imports into the Free Trade and Processing Zone and as exports from Antigua and Barbuda.

We are therefore advising you to return to the business places to recover the ABST that was spent. When approaching the Manager you will have to provide them with the letter dated 31st August 2007 which was sent to Mr. Basil Sturt the Administration Director of the American university of Antigua, with regards to the provisions that were made.

If any problems occur you can inform me Ms. Cleo Wallace ABST Registration Supervisor, Ms. Nerissa Gomes Audit Supervisor, Everton Gonsalves, Coordinator of ABST Implementation Team or Douglas McLaren The Director of ABST.

Waiting for a quick response.

Sincerely,

Cleo Wallace
ABST Registration Supervisor

On Tue, Nov 17, 2009 at 9:53 AM, Lyle Novick <lNovick@auamed.org> wrote: